



OFFICE OF THE COMPTROLLER
CITY OF ST. LOUIS



FILE COPY

DARLENE GREEN
Comptroller

DR. KENNETH M. STONE, CPA
Internal Audit Executive

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June 29, 2011

Lewis Chartock, CEO/President,
MERS/MO Goodwill
1727 Locust Street
St. Louis, MO 63103

RE: Workforce Investment Act (WIA) (Project #2011-SLATE 8)

Dear Mr. Chartock:

Enclosed is a report of the fiscal monitoring review of MERS/MO Goodwill, a non-for-profit organization, WIA program for the period July 1, 2010 through February 28, 2011. The scope of a fiscal monitoring review is less than an audit, and as such, we do not express an opinion on the financial operations of MERS/MO Goodwill. Fieldwork was completed on May 3, 2011.

This review was made under authorization contained in Section 2, Article XV of the Charter, City of St. Louis, as revised and has been conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing* and through an agreement with the St. Louis Agency on Training and Employment (SLATE) to provide fiscal monitoring to all grant sub-recipients.

If you have any questions, please contact the Internal Audit Section at (314) 622-4723.

Sincerely,

Dr. Kenneth M. Stone, CPA
Internal Audit Executive

Enclosure

Cc: Michael Holmes, Executive Director, SLATE
Kim Neske, Fiscal Manager, SLATE



CITY OF ST. LOUIS CITY OF ST. LOUIS

**ST. LOUIS AGENCY ON TRAINING AND EMPLOYMENT (SLATE)
WORKFORCE INVESTMENT ACT (WIA)**

**MERS/MO GOODWILL
CONTRACT #112-10, #211-10 AND #212-10
CFDA #17.258 AND #17.259**

**FISCAL MONITORING REVIEW
JULY 1, 2010 THROUGH FEBRUARY 28, 2011**

PROJECT #2011-SLATE 08

DATE ISSUED JUNE 29, 2011

**Prepared By:
The Internal Audit Section**



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HONORABLE DARLENE GREEN, COMPTROLLER

**CITY OF ST. LOUIS
ST. LOUIS AGENCY ON TRAINING AND EMPLOYMENT (SLATE)
WORKFORCE INVESTMENT ACT (WIA)
MERS/MO GOODWILL
FISCAL MONITORING REVIEW
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INTRODUCTION

Background

Contract Name: MERS/MO Goodwill

Contract Numbers: 112-11 Adult Program
211-11 Youth Program
212-11 Youth Program

CFDA Numbers: 17.258 (Contract #112-11)
17.259 (Contract #211-11 & Contract #212-11)

Contract Periods: July 1, 2010 through June 30, 2011

Contract Amounts: \$ 56, 856 (Contract #112-11)
\$150,000 (Contract #211-11)
\$150,000 (Contract #212-11)

Contract #112-11 provided Workforce Investment Act (WIA) adult program funds to the Agency for case management of resources pertinent to workforce development issues and policies for jobseekers in the City of St. Louis with disabilities who seek employment, skill development, job retention assistance, or career advancement. Individuals with disabilities will be screened and referred to Vocational Rehabilitation (VR).

Contract #211-11 provided WIA youth program funds to the Agency to provide services to 50 in-school at-risk youth in the City of St. Louis with focus on increasing academic achievement, staying in school, community service, and leadership development. Services include job development, additional tutoring, individualized ISS plans, and follow-up services.

Contract #212-11 provided WIA youth program funds to the Agency to provide services to 25 youth with focus on placing targeted youth clients in the City of St. Louis into Healthcare and Healthcare-related education, certification, and employment opportunities to assist them in taking advantage of the projected growth in careers in these industries. Services include referrals to certification programs related to healthcare careers, particularly CNA courses, job readiness training, job development and placement, on-the-job training, and retention services.

Purpose

The purpose of the review was to determine the Agency's compliance with federal, state and local SLATE requirements for the period July 1, 2010 through February 28, 2011, and make recommendations for improvements as considered necessary.

Scope and Methodology

Inquiries were made regarding the Agency's internal controls relating to the grant administered by SLATE. Evidence was tested supporting the reports the Agency submitted to SLATE and other procedures were performed, as considered necessary. Fieldwork was completed on May 3, 2011.

Exit Conference

There were no current observations; therefore, an exit conference was not considered necessary.

SUMMARY OF OBSERVATIONS

Conclusion

No evidence was found to suggest that the Agency did not fully comply with federal, state and local SLATE requirements.

Status of Prior Observations

The Agency's previous fiscal monitoring project, Project #2010-SLATE 5, issued September 7, 2010, contained one observation:

- Opportunity to improve accounting for bus passes purchased with federal funds **(Resolved)**

A-133 Status

The Agency expended \$500,000 or more in federal funds for the year ended December 31, 2009; therefore, it was required to have a single audit in accordance with OMB Circular A-133.

The report was dated March 24, 2010 and rendered unqualified opinions on the general purpose financial statements and the major federal awards. There were no material weaknesses or significant deficiencies identified on the general purpose financial statements and the major federal awards. There were no observations required to be reported in accordance with OMB Circular A-133.

The Agency qualified as a low-risk auditee.

Summary of Current Observations

There were no current observations.